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## THE MULTI-YEAR FUNDING FRAMEWORK, 2000-2003

Report of the Executive Director

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# I. INTRODUCTION

1. In response to Executive Board decisions 98/24 and 99/5, the Executive Director submits to the Executive Board for approval the first UNFPA multi-year funding framework (MYFF) for the period 2000-2003. The MYFF should greatly strengthen the Fund's contribution to addressing the challenges faced by countries in the implementation of the Programme of Action of the International Conference on Population and Development (ICPD) and the key actions for further implementation of the Programme of Action of the International Conference on Population and Development (A/RES/S-21/2), adopted at the United Nations General Assembly Special Session (UNGASS) on the ICPD+5 review and appraisal in July 1999. Both of these global action agendas commit UNFPA and its partners to improving the quality of life of the peoples of the world, with special attention to addressing issues of population and development, reproductive health, and gender equality.[1] UNFPA is dedicated to assuming its leadership role in this process, which includes not only addressing substantive issues but also mobilizing increased resources for the implementation of the ICPD Programme of Action and the key actions. UNFPA is aware that its own resources are limited, but is convinced that an approach that focuses on results and promotes results-oriented partnerships, will not only strengthen its own programming and management, but will also provide a convincing context for attracting more resources on a sustained and predictable basis. The Fund relies on the Executive Board members to also take up their side of the challenge by providing political support and the needed financial resources that will enable UNFPA to successfully implement its first MYFF.

## A. Background

2. At its second regular session 1999, the Executive Board, in decision 99/5, reaffirmed its earlier decision 98/24 which requested UNFPA to develop a multi-year funding framework that integrates programme objectives, resources, budget and outcomes, with the objective of increasing core resources. The Executive Board took note with appreciation of the report submitted by the Executive Director (DP/FPA/1999/CRP.2) outlining the Fund's approach to the multi-year planning, management and funding framework, and requested the Executive Director to continue to develop the framework with the aim of submitting the framework for the period 2000-2003 to the Board at its first regular session in 2000. Subsequently, the Executive Board agreed that the framework would be presented at its second regular session 2000. In order to harmonize with UNDP, UNFPA plans to use the term multi-year funding framework instead of multi-year planning, management and funding framework.

3. The MYFF is a coherent framework that builds on clearly defined organizational results and a set of indicators to track progress towards achieving those results. Regular monitoring and

[1] In the MYFF, UNFPA places gender equality as the goal that can be measured objectively, while recognizing that achieving gender equity, meaning fair and impartial treatment of women and men, remains a necessary step towards the goal of gender equality.

evaluation to determine the most effective programming and management strategies, and feeding that knowledge back into improving performance, are essential characteristics of the MYFF. The MYFF also includes resource requirements to achieve the expected results. For UNFPA, the development of the MYFF has presented an opportunity to accelerate the shift towards a results-based approach that was already in motion. A clear definition of organizational priorities, greater emphasis on organizational effectiveness, and an improved tracking of and reporting on the Fund's performance will contribute to a more accurate determination of resource requirements and utilization, and will, it is hoped, encourage a more predictable and stable funding system.

4. In accordance with decision 98/24, the MYFF presented in this report is based on the following principles:

(a) The framework shall maintain the order of priorities and the mandate of UNFPA as determined by the Executive Board;

(b) The framework shall not introduce any conditionality or result in any distortions in priorities or changes in the current system of resource allocation;

(c) The allocation of additional core resources that may be mobilized by the MYFF shall be consistent with programming guidelines determined by the Executive Board, and priority must be given to programmes.

## B. Process

5. Subsequent to the adoption of decision 99/5, the Executive Director established a new Office for Results-Based Management (ORM) in June 1999. ORM is attached to the Office of the Executive Director, and its mandate is to build consensus and support for a results-based approach within the Fund, coordinating the formulation of the MYFF and making proposals for its implementation in the context of a move towards results-based management in UNFPA. The Fund gratefully acknowledges the financial support of Canada, Denmark, Finland, Sweden and the United Kingdom for this work. An Interdivisional Advisory Group on Results-Based Management (IDAG) was established in July 1999 to replace the Interdivisional Working Group that had developed the preliminary approach to the MYFF. IDAG, chaired by the Fund's two Deputy Executive Directors and composed of managers from all headquarter divisions, acts as an advisory and support body to ORM, and is working towards ensuring the full understanding and commitment of UNFPA management, staff, and partners in the move towards institutionalizing results-based management.

6. To ensure that the MYFF responds to the realities of programme country situations, and will not impose an additional burden on national counterparts or on the Fund's already over-

stretched resources, feasibility studies were carried out in five countries[2] between July and November 1999 to assess the strengths, constraints and capacity-building needs of country offices in the context of implementing the MYFF and a results-based management approach. In particular the studies looked at: (a) implementation of the results-based logical framework (logframe) approach to programme planning and management that will provide an essential building block for the MYFF; (b) availability of and access to monitoring data; and (c) future capacity-building needs. The studies concluded that it would take time to establish a satisfactory information system at the country level, and to strengthen the capacity of staff and local partners to implement this approach. Study findings also emphasized the importance of close collaboration among United Nations agencies and other donors within countries to share and learn from each other's experiences, and to identify joint results and indicators and a common database.

7. The process of formulating the MYFF has been coordinated with the process of identifying the proposed future substantive programme priorities of UNFPA in response to the outcome of the ICPD+5 review and appraisal. While the results framework of the MYFF clearly reflects these programme priorities, the report to be submitted to the Executive Board's annual session 2000 (in response to decision 99/18) will discuss those priorities in greater detail. Other important inputs to the development of the MYFF include:

(a) A review of all existing country programme logframes and the 2000-2003 intercountry programme to refine the preliminary list of UNFPA goals, outputs, and indicators;

(b) An international workshop to share and review the findings of the feasibility studies, and to consider recommendations for the finalization of the MYFF;

(c) An electronic discussion group and an ORM web page on the UNFPA Intranet to ensure the widest possible dissemination of information and exchange of ideas within the Fund;

(d) A parallel but interlinked Workforce Planning Exercise to review and strengthen the human-resource situation of the Fund.

8. The development of the MYFF has been a learning process for UNFPA, involving close consultation with other United Nations agencies, including UNDP and UNICEF, in order to learn from their experience at headquarters and country office levels and to harmonize the process as much as possible. UNFPA benefited from technical assistance, including the services of a consultant who had also advised UNICEF and UNDP on the development of their respective frameworks. The Fund has also gained from the experience of bilateral development agencies,

[2] The feasibility studies were carried out in Burkina Faso and the United Republic of Tanzania in the Africa region; Sudan in the Arab States and Europe region; Sri Lanka in Asia and the Pacific region; and Nicaragua in Latin America and the Caribbean region.

especially that of the Canadian International Development Agency (CIDA). Support and advice from Executive Board members, including informal consultations, have been highly valuable in giving shape and direction to the development of the MYFF. UNFPA shares with UNDP and UNICEF a basic rationale for developing the MYFF, i.e., to improve programme and performance management and accountability in delivering assistance to programme countries, as well as to mobilize resources. While adhering to the principles and requirements set out in the decisions of their respective Executive Boards, each agency has taken a slightly different approach in developing its framework, in accordance with its own organizational structure, scale of financial and human resources, nature and scope of work, management approaches and modes of execution.

## C. Key concepts and definitions

9. UNFPA defines a result as a describable or measurable change in state that is derived from a cause and effect relationship,[3] and recognizes a hierarchy of results based on this relationship. This represents a revision of the definition proposed in the preliminary approach to the MYFF, to be consistent with definitions used by other United Nations and bilateral agencies, and with the logframe.

10. The MYFF captures the major results that UNFPA aims to achieve through its efforts worldwide at two levels -- goals and outputs. It is the intention of the Fund to report at these two levels. A goal is defined as a basic condition of well-being for individuals, families and communities. It is the highest level of results in the hierarchy to which UNFPA contributes through its work. Outputs are the time-bound results that UNFPA can be considered accountable for delivering through programmes and other activities, and that contribute directly to the attainment of goals. The list of selected outputs presented in the MYFF emerged as the most common outputs of UNFPA country programme logframes and convey the major strategic priorities in the Fund's work worldwide.[4] They are not meant to be exhaustive, and should allow country programmes to respond to national priorities and opportunities and to emerging situations as they arise.

## D. Methodological and operational issues

11. The first methodological issue encountered in the development of the MYFF is that of attribution. At the goal level, it is clearly understood that any movement in the indicators can be

[3] This definition is used by the Canadian International Development Agency.

[4] The logframe identifies three levels of results -- goal, purpose and output. Results at the purpose level -- a level of results between goals and outputs -- vary significantly among countries in accordance with the different programming contexts. Although the results at the purpose level will not be reported in the MYFF, they will continue to be important elements of the results chain in country and intercountry programmes for programming and performance management.

attributed only partly to the Fund's work, as goals are by definition not owned by one agency or system. Improving basic conditions requires the concerted effort of all sectors of the community and all relevant development agencies. Even at the output level, the size of UNFPA assistance in countries and the fact that many programmes are nationally executed means that not all results can be exclusively attributed to the Fund. UNFPA recognizes the role of government, non-governmental organizations (NGOs) and other partners at this level. There is, however, general agreement within UNFPA that, given its leadership and advocacy roles, there are outputs for which the Fund can be accountable, even if they are not entirely funded by UNFPA. The indicators for outputs have been carefully selected to reflect the areas of work in which the Fund provides a significant proportion of its assistance and thus the Fund can expect to have its greatest influence on movement in those indicators.

12. Data availability poses methodological and operational challenges. Lack of baseline data for the indicators for outputs and for some goals will make it difficult to demonstrate progress in achieving results, particularly in the first few years of the MYFF. It is, therefore, anticipated that in the initial years establishing baseline data will be given priority. A balanced effort will be made to build capacity at the country level for data collection, analysis and reporting, in order to fully implement the MYFF, without imposing an undue burden on UNFPA country offices and national counterparts.

13. Simple aggregation of data from countries for reporting is also problematic. In most countries, UNFPA assistance is limited to selected regions or provinces, and national aggregates cannot be obtained from the data that exist for UNFPA-supported programmes. The diversity in data availability and quality among countries would also make global aggregation impossible in most circumstances. Efforts will be made to report aggregate levels for those indicators with high quality and comparable data. It must be recognized that any data aggregated at the global level will be highly sensitive to any movement in the indicators in a few large countries. Simple aggregation also masks what might be considerable progress in countries that are furthest from achieving ICPD goals. Therefore, in the reporting on MYFF indicators, the formulation for both goals and outputs, in most cases, will be in terms of "number of countries in which" increase or decrease occurred in the value of selected indicators.

## II. THE MULTI-YEAR FUNDING FRAMEWORK, 2000-2003

14. The MYFF is composed of two interlinking elements: (a) a results framework and (b) an integrated resources framework. UNFPA assistance to countries during the period 2000-2003 will focus on achieving the results outlined in the results framework, through the implementation of the proposed strategies. The extent of the results that will be achieved depends on the level and predictability of resources as well as on performance. The resources framework presents two possible scenarios for resource requirements, with the second scenario being more compelling as it would allow further implementation of the Fund's commitments to ICPD and

ICPD+5 and would accelerate the achievement of organizational results. Section II of the present report, provides a brief preface on contextual analysis, and then discusses the component elements of the MYFF. Section III of the report focuses on managing for results and illustrates how systems will be strengthened to improve the Fund's own internal programming and performance management. Section IV proposes a reporting system to the Executive Board through the annual report of the Executive Director and delineates the likely timing of the annual and quadrennial MYFF reports. Section V notes that the Executive Board may wish to adopt a decision on the basis of the information provided in the report.

## A. Contextual analysis

15. In 1999, the world's population exceeded 6 billion, with 80 per cent of the people living in developing countries. It is estimated that the world population in 2015 will total somewhere between 6.9 billion and 7.4 billion, depending on the quality and magnitude of the actions taken over the next 5 to 10 years in the areas of population and reproductive health, and that population stabilization will not be reached for another 50 years, at the earliest.[5] The highest rates of continuing population increase are occurring in the world's poorest countries where women have least access to education and health services and economic resources. The average number of live births per woman in 1998 was 1.6 children in the more developed countries, 3.0 in the less developed countries and 5.1 in the least developed countries.[6] The ICPD Programme of Action recognizes that efforts to slow down population growth, to reduce poverty and to achieve economic progress are mutually reinforcing, and underscores the need to fully integrate population concerns into development and poverty-eradication strategies with the ultimate goal of improving the quality of life of present and future generations. Progress in reducing poverty rates has been uneven, with the absolute number of the poor remaining high at over 1.3 billion.[7]

16. The five-year review of progress in the implementation of the ICPD Programme of Action highlighted the positive results attained in countries around the world while illuminating the key areas, including reproductive health, where additional attention is needed. It is estimated that, between 2000 and 2015, the number of women of reproductive age in developing countries will increase by 23 per cent,[8] indicating a rapid and substantial growth in the number of potential users of reproductive health services. Better information and advocacy are also expected to increase the level of individual demand for quality services. If a range of contraceptive supplies

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[5] *Proposals for key actions for the further implementation of the Programme of Action of the International Conference on Population and Development* (E/CN.9/1999/PC/4).

[6] *World Population Prospects: The 1998 Revision*, Population Division, Department of Economic and Social Affairs, United Nations, New York,1999.

[7] *Review and Appraisal of the Progress Made in Achieving the Goals and Objectives of the Programme of Action of the International Conference on Population and Development 1999 Report*, Population Division, Department of Economic and Social Affairs, United Nations, New York, 1999.

[8] Calculation based on *World Population Prospects: The 1998 Revision*, Population Division, Department of Economic and Social Affairs, United Nations, New York,1999.

are not available to meet the growing demand, there could be a substantial increase in unsafe abortion, a major contributor to maternal morbidity and mortality. While infant mortality has been declining in almost all parts of the world, reflecting wide agreement on strategies including more readily available medical and technological solutions, maternal mortality remains unacceptably high in many countries. The problems attached to accurately measuring maternal mortality led countries at the UNGASS on ICPD+5 to agree to use the proportion of births assisted by skilled attendants as an indicator to monitor progress towards the achievement of ICPD goals for reducing maternal mortality. It was agreed that by 2005, 80 per cent of all births should be assisted by skilled attendants globally. Based on the most recent data, WHO estimates the current level to be 58 per cent globally. The HIV/AIDS epidemic poses a major challenge to development. More than thirty million people are currently living with HIV/AIDS, 90 per cent of them in developing countries. HIV/AIDS has led to a rise in mortality in many countries and is the leading cause of death in sub-Saharan Africa,[9] with young women being most vulnerable to infection. In the key actions adopted by the UNGASS on ICPD+5, HIV infection rates in persons 15 to 24 has been identified as a benchmark indicator with the goal of reducing the prevalence in this age group by 25 per cent globally by 2010.

17. Due to past high fertility rates there are now over 1 billion young people between the ages of 15 and 24, the largest cohort in this age group that the world has ever known.[10] Addressing the urgent needs of adolescents emerged as a priority concern during the ICPD+5 review, and the call to countries to reduce the number of adolescent pregnancies was reaffirmed, without a specific numerical target. Currently, the number of live births per 1,000 women aged 15 to 19 varies significantly between rich and poor countries -- 128 among least developed countries and 31 in more developed regions.[11]

18. The persistence of social and cultural attitudes and practices that discriminate against and subordinate women continues to obstruct the realization of gender equality. Violence against women and the girl child is a common but frequently hidden practice, which makes it extremely difficult to measure accurately. A recent report entitled Ending Violence Against Women[12] indicates that around the world at least one woman in every three has been beaten, coerced into sex, or otherwise abused in her lifetime. Such violence may result, inter alia, in gynecological disorders, unsafe abortion, pregnancy complications, miscarriages, and reproductive tract infections (RTIs). In many countries, early marriage, which generally leads to early pregnancy,

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[9] Statement by Dr. Gro Harlem Brundtland, Director-General, World Health Organization, to the Executive Board, 105th Session, 24 January 2000.

[10] *World Population Prospects: The 1998 Revision*, Population Division, Department of Economic and Social Affairs, United Nations, New York, 1999.

[11] *World Population Prospects: The 1998 Revision* and *Age Patterns of Fertility: The 1998 Revision*, Population Division, Department of Economic and Social Affairs, United Nations, New York 1999.

[12] Lori Heise, Mary Ellsberg and Megan Gottemoeller, *Ending Violence Against Women*, Population Reports, Series L, No.11, Baltimore, Johns Hopkins University School of Public Health, Population Information Program, December 1999.

not only cuts short women's education but is linked to high levels of maternal morbidity and mortality. The ICPD+5 review urged countries to act to eliminate gender-based violence and other harmful practices, including female genital mutilation (FGM). It also agreed that the 1990 illiteracy rate for women and girls should be halved by 2005, and that by 2010 the net primary school enrolment ratio for children of both sexes should be at least 90 per cent.

## B. Results framework

### 1. Goals and indicators

19. Goals. UNFPA has a clear mission statement and focused programme priorities that provide a very solid foundation for a results-based framework and approach. The ICPD Programme of Action, for which the Fund is a lead implementing agency, explicitly states major principles and goals in population and reproductive health. These goals were affirmed in the recent ICPD+5 review. The UNFPA mission statement, endorsed by the Executive Board in decision 96/28, articulates the Fund's commitment to assist countries in addressing reproductive health and population issues. The three core programme areas for UNFPA, which were endorsed by the Executive Board in decision 95/15 -- reproductive health, including family planning and sexual health; population and development; and advocacy, with gender issues as cross-cutting dimensions of all programmes -- are reflected in the goals selected for the MYFF.

20. The following three goal statements are proposed as the Fund's organizational goals. They are the results to which UNFPA contributes along with other partners: (a) all couples and individuals enjoy good reproductive health, including family planning and sexual health, throughout life; (b) there is a balance between population dynamics and social and economic development; and (c) gender equality and empowerment of women are achieved. These three goals are closely interrelated and mutually supportive. Gender equality, for example, is essential in promoting good reproductive health, while reproductive health is critical to social and economic development.

21. The Fund's three goal statements reflect not only the goals of the ICPD Programme of Action reaffirmed at the ICPD+5 review but also key goals identified through other recent United Nations conferences, including the 1992 United Nations Conference on Environment and Development (UNCED), the 1995 World Summit for Social Development (WSSD) and the 1995 Fourth World Conference on Women (FWCW). Above all, UNFPA goals contribute to poverty eradication and to the improvement of the quality of life of all people -- the overarching goals shared by all United Nations organizations.

22. Indicators. Indicators are measures or pointers that help to quantify or describe the achievement of results and monitor progress towards attaining the goals. It is important to bear in mind that the selected indicators alone will not provide the complete picture of progress. They

are merely indicative of whether a certain result is being achieved or not, and qualitative analysis is required to understand the exact nature of the progress being achieved. The indicators selected for the MYFF include those from the ICPD Programme of Action used in the UNFPA country programme resource allocation system (as per Executive Board decision 96/15), with the exception of the indicator on access to basic health services, for which international agencies are currently revising the operational definition.[13] The benchmark indicators contained in the ICPD+5 key actions are reflected in the MYFF indicators, most of them at the goal level while the indicator on services will be tracked at the output level. The Common Country Assessment (CCA) indicators and the indicators developed by the ACC Task Force on Basic Social Services for All were also reviewed to ensure that the MYFF is aligned with the United Nations Development Assistance Framework (UNDAF) process. Goal indicators will draw on existing international data sources and established baselines and targets wherever possible. The Fund recognizes that some indicators, including several of those proposed in the ICPD+5 key actions, will necessitate a special data collection and analysis effort by UNFPA and other concerned agencies. The indicators will be regularly reviewed for further refinement and improvement as United Nations agencies and other organizations continue their collaborative work on indicator development.

23. Table 1 below delineates the goals and indicators at goal level selected for the Fund's first MYFF. Table 2 delineates outputs and the selected indicators at output level.

[13] The indicators, related to ICPD goals, used in the UNFPA country programme resource allocation system are: births attended by trained health personnel (%); contraceptive prevalence rate (15-44) (%); access to basic health services (%); infant mortality rate (/1000); maternal mortality ratio (/100,000); gross female enrolment rate at primary level (%); and adult female literacy rate (%). In the MYFF, to reflect ICPD+5 benchmarks, the contraceptive prevalence rate indicator has been substituted by unmet need for family planning (%), and the indicator pertaining to gross female enrolment rate at the primary level has been substituted by gender gap in enrolment rates at the primary and secondary level. A new ICPD+5 benchmark on HIV/AIDS is also reflected in the MYFF.

Table 1: UNFPA Goals and Indicators

| Goals | Goal Indicators[a] |
|---|---|
| (1) All couples and individuals enjoy good reproductive health, including family planning and sexual health, throughout life | (a) Decrease in unmet need for family planning<br>(b) Decrease in maternal mortality ratio<br>(c) Increase in the proportion of births assisted by skilled attendants<br>(d) Decrease in number of births among adolescents[b]<br>(e) Decrease in HIV incidence in persons aged 15-24[c]<br>(f) Decrease in infant mortality rate<br>(g) National mechanisms in place to monitor and reduce sexual violence |
| (2) There is a balance between population dynamics and social and economic development | (a) Life expectancy at birth by sex<br>(b) Annual population and GDP per capita growth rates |
| (3) Gender equality and empowerment of women are achieved | (a) Decrease in gender gap in enrolment rates at the primary and secondary level<br>(b) Increase in adult female literacy rate<br>(c) Increase in proportion of women parliamentarians |

a/For the purpose of MYFF reporting the number of countries in which some positive movement in the variables occurred will be reported.

b/United Nations Population Division data on the number of births per 1,000 women aged 15-19 will be used.

c/UNAIDS data on HIV incidence in pregnant women aged 15-24 will be used.

24. The first goal mentioned above relates to the core area of the Fund's work and reflects the shift within UNFPA since ICPD towards a comprehensive vision of reproductive health that includes increasing the quality, availability and scope of reproductive health services and creating an enabling environment for better reproductive health. The ICPD Programme of Action urges all countries to ensure universal access to reproductive health for all couples and individuals as soon as possible, and no later than the year 2015. A significant proportion of UNFPA assistance to countries is invested in achieving this goal. The selected goal indicators of the MYFF seek to reflect the comprehensive nature of reproductive health. The reduction of unmet needs in family planning, a benchmark in the ICPD+5 key actions, pertains to an important area of the Fund's work, including contraceptive procurement and logistics management. Preventing unwanted pregnancies will contribute to reducing unsafe abortion, which is a leading cause of maternal death. The maternal mortality ratio is a benchmark indicator in the ICPD Programme of Action and is included in the list of MYFF indicators. There is an ongoing effort to improve the measurement of maternal mortality. In the interim,

under the leadership of WHO, all agencies are moving towards using the process indicator of proportion of births assisted by skilled attendants to monitor progress in reducing maternal mortality. The ICPD+5 review and appraisal highlighted the urgency to address the reproductive health needs of adolescents. UNFPA is committed to addressing those needs, and the results framework will include two indicators of adolescent reproductive health, one on the number of births among adolescents and the other on HIV incidence. The infant mortality rate is one of the benchmarks agreed in the ICPD Programme of Action. The selection of an indicator on sexual violence, which comprises a large part of gender-based violence, is based on the recognition that such violence, or the threat of such violence, has a direct link with women's reproductive health. At the country level, efforts will be undertaken to establish and collect data on an evidence-based indicator of sexual violence, but due to the lack of comparability of such data, this will not be reported at the organizational level. An operational definition of a mechanism to monitor such violence will be developed to better track and report on progress.

25. The second goal in the MYFF represents another core area of the Fund's work. The ICPD Programme of Action explicitly acknowledges the interlinkages between population and various aspects of development. In order to achieve a balance between population dynamics and social and economic development, countries are urged to create better public understanding of the relationships between population, poverty, gender equity and equality, health, education, food security and the environment, and to address these issues in an integrated way. Life expectancy at birth is a basic indicator that is closely connected with the health conditions of the population and reflects many social, economic and environment influences. It is closely related to other demographic variables, particularly the population growth rate. The population growth rate and the gross domestic product (GDP) per capita growth rate are easily accessible indicators which help capture the balance between population and development.

26. The third goal in the MYFF reflects the Fund's strong commitment to promoting gender equality and the empowerment of women, which is jointly pursued with other United Nations agencies, such as UNICEF, UNDP, IFAD and UNIFEM. UNFPA recognizes that these are both ends in themselves as well as fundamental prerequisites for achieving reproductive health and sustainable development. The Fund thus proposes a specific goal for gender equality and women's empowerment while also ensuring that gender concerns are mainstreamed and captured in the indicators and the outputs for the other two goals.[14] Equal access to education and literacy and women's active participation in political decision-making are key indicators for gender equality and women's empowerment. The Fund works mainly through advocacy to ensure that men and women receive equal access to social services, including education. Reducing the gender gap in enrolment rates at the primary and secondary level, taking into account the need to pay particular attention to the girl child, and increasing female adult literacy will ensure that the equality issue is addressed throughout the life cycle. These indicators and their thresholds have

[14] As, for example, in goal indicator (g) for goal (1) in table 1, above; goal indicator (a) for goal (2) in table 1, above; and output (iii) for goal (1) in table 2, below.

been identified in the ICPD+5 key actions. The proportion of women parliamentarians is an indicator of women's political empowerment at a national level. Participation of women in political decision-making at subnational levels will also be monitored in countries but not reported in the MYFF.

## 2. Outputs and indicators

27. The selection of outputs and their indicators for the MYFF was drawn from existing country programme logframes and extensive consultation within the organization. UNFPA has introduced the results-based logframe as a tool for programme planning, performance monitoring and reporting in country and intercountry programmes. Each logframe identifies a series of outputs, with corresponding indicators, that constitute the Fund's contribution towards achieving higher-level results. As discussed earlier, the list of outputs presented in the MYFF results framework contains the most commonly cited strategic outputs, and is not exhaustive. The outputs indicate the results in the major areas of the Fund's work for which the Fund can be held accountable. The outputs are organized by goals, although some outputs may contribute to achieving more than one goal, and several outputs are often necessary to contribute to achieving a specific goal.

28. In selecting the output indicators, special consideration was given to accessibility, i.e., that data are or can be accessible at the country level and can be collected annually without putting an undue burden on national counterparts and UNFPA country offices. Undoubtedly, as new country programmes establish enhanced data collection and monitoring systems, there will be an incremental improvement in these data, and in establishing baselines.

29. Table 2, below, delineates the outputs and the indicators at output level for the three goals. It should be noted that the indicators are selective and do not represent all the indicators that will be used at the country level to measure progress towards achieving country programme outputs.

. Table 2: UNFPA Outputs and Indicators

| Goals | Outputs | Output Indicators[a/] |
|---|---|---|
| (1) All couples and individuals enjoy good reproductive health, including family planning and sexual health, throughout life | (i) Increased availability of comprehensive reproductive health services | (a) Increase in % of service delivery points (SDPs) offering at least three of the following reproductive health services:<br>- Modern family planning methods<br>- Maternal health care and assisted delivery<br>- Prevention and management of RTIs, including STDs, and prevention of HIV/AIDS<br>- Management of the consequences and complications of unsafe abortion<br>- Information, education and counselling on human sexuality and reproductive health, including family planning<br>(b) Increase in % of SDPs offering information, education, counselling and access to services to adolescents[b/] |
| | (ii) Improved quality of reproductive health services | (a) Increase in % of SDPs offering at least three modern methods of contraception<br>(b) Increase in % of SDPs providing quality reproductive health services in accordance with established protocols[c/] |
| | (iii) Improved environment for addressing practices that are harmful to women's health | (a) National policy in place to address harmful practices |
| (2) There is a balance between population dynamics and social and economic development | (i) National development plan and sectoral plans in line with ICPD Programme of Action | (a) Intersectoral mechanisms to review development and sectoral plans<br>(b) Increase in the number of training programmes on gender issues for government officials |
| | (ii) Increased availability of sex-disaggregated population-related data | (a) National database of sex-disaggregated population-related data, with plans to update at regular intervals |
| (3) Gender equality and empowerment of women are achieved | (i) Increased information on gender issues | (a) Gender-sensitive reproductive health curricula adopted in primary and secondary schools<br>(b) Increase in number of information materials on gender issues targeted specifically to men |

a/ For the purpose of MYFF reporting the number of countries in which some positive movement in the variables occurred will be reported.

b/Older adolescents between the ages of15-19.

c/Protocols include minimum standards developed in partnership with WHO.

30. Reproductive health. In the area of reproductive health, the work of UNFPA is characterized by three outputs: increased availability of comprehensive reproductive health services; improved quality of reproductive health services; and an improved environment for addressing practices that are harmful to women's health.

31. The first output under the first goal in table 2 above, reflects the Fund's commitment to ensuring, in line with the ICPD Programme of Action, that women and men of all ages have access to essential reproductive health information, counselling and comprehensive services, including family planning. The first indicator for this output reflects the Fund's emphasis on preventive, primary health care and tracks the percentage of service delivery points (community-based health posts) offering at least three reproductive health services. The list of services in table 2 is in line with the ICPD+5 recommendation that all governments should strive to ensure that all primary health care and family planning facilities offer a range of these services by 2015. The services should contribute to improving reproductive health by protecting individuals from unwanted pregnancies, infection, and birth complications, and ensuring compassionate care and counselling for survivors of unsafe abortion. The second indicator reflects the priority given in the ICPD Programme of Action and the ICPD +5 key actions to providing appropriate, specific, user-friendly and accessible services to address the special reproductive and sexual health needs of adolescents, including reproductive health education, information, counselling and health promotion strategies. The Fund will also continue to support community-based information, education and communication (IEC) and advocacy initiatives to promote behavioural change. They will be monitored at country level, given the difficulties in aggregating and reporting on these at a global level.

32. The second output under the first goal in table 2 pertains to the improved quality of reproductive health services and reflects the emphasis that the ICPD Programme of Action places on the basic right of all couples and individuals to make reproductive health decisions freely and responsibly, with adequate information and counselling, the highest professional standards of care, and the widest possible range of safe, effective, affordable and accessible family planning and contraceptive methods. The first indicator for this output emphasizes the dimension of free and informed choice, which is one important dimension of quality, and the second indicator monitors ethical, professional and technical standards of care. Specific protocols will guide health workers in dealing responsively with sensitive issues, including sexual violence, post-abortion care, adolescent sexuality, reproductive tract infections (RTIs) and HIV/AIDS. Under the leadership of WHO, United Nations agencies and partners are working towards consensus on a core set of universal standards for user-friendly reproductive health care and indicators to monitor compliance at policy, health sector and community levels. The outcome of this collaborative work will be reflected in refined indicators for the quality output. IEC and advocacy will be critical in increasing the demand by individuals and communities for quality services.

33. The third output under the first goal in table 2 captures the Fund's work in raising awareness about practices that are harmful to women's reproductive health and well-being. The exact nature of these practices may vary from country to country, and could include sexual violence, issues related to the girl child such as lack of education and life opportunities, poor nutrition, early marriage, FGM, nutritional taboos, and birth, postpartum and sexual practices. Through advocacy, UNFPA works with governments and civil society to develop policies to address these practices.

34. Population and development. In the area of population and development, UNFPA has identified two main outputs: national development plan and sectoral plans in line with the ICPD Programme of Action; and increased availability of sex-disaggregated population-related data, including on reproductive health.

35. As a leading advocate of the ICPD Programme of Action, UNFPA works closely with governments to strengthen awareness of the critical role of population factors in development, and to increase capacity to monitor and analyse population trends in the broader development context. The first output under the second goal in table 2 reflects the Fund's support for the integration of population concerns in national development and sectoral plans in line with the ICPD Programme of Action, with a particular emphasis on a multisectoral approach to policy development and planning, and on mainstreaming gender issues. The first indicator for this output records the existence of a mechanism for intersectoral coordination among government institutions which should also be reflected at local government levels in the context of decentralization. The second indicator pertaining to gender training captures the Fund's assistance in mainstreaming gender issues at various levels of government.

36. The second output under the second goal in table 2 addresses the lack of accurate, timely, relevant and sex-disaggregated data on population, including reproductive health, which has been identified in all countries as a priority issue. The results-based MYFF introduces a new urgency to invest in developing information systems at country level. The indicator for the second output pertains to UNFPA assistance to countries in developing and regularly updating the national databases that are necessary for sound policy formulation, programme planning, monitoring and evaluation.

37. Gender equality and women's empowerment. In order to contribute to achieving the goal of gender equality and women's empowerment the Fund's work will focus on increasing information and advocacy on gender issues globally and in individual countries, with the aim of enhancing awareness and creating a favourable environment for women's empowerment and gender equality at all levels of society. These efforts will be institution- and community-based initiatives, and will pay special attention to groups that have the least access to this information, including poor women, adolescents and men. Under the third goal in table 2, the output indicator

on gender-sensitive reproductive health curricula in primary and secondary school education reflects the Fund's advocacy efforts to mainstream gender issues in education. The output indicator on information targeted to men reflects the special attention the Fund is paying to male involvement in promoting reproductive health.

### 3. Strategies

38. In addition to the focused attention given to identifying MYFF goals, outputs and indicators, UNFPA has given careful consideration to the identification of key programme strategies, defined as ways in which the Fund deploys its resources to obtain results. In the context of results-based management, it is not only important for the organization to define the results, but also to identify how it plans to achieve those results. The strategies should ensure that the Fund achieves its outputs and that those outputs contribute to long-term goals, which can be tracked through movement in the results indicators. The process of implementing the MYFF will provide opportunities for UNFPA to systematically examine, refine and readjust its strategies to achieve the planned results. The strategies selected reflect the Fund's overall priorities and strengths, but also allow countries the flexibility to respond appropriately within widely differing programming contexts and to select their own focus. Most importantly, giving careful consideration to the identification and readjustment of key strategies on a regular and systematic basis will allow the Fund to be both self-critical and strategic in the placement of its resources. Clearly, modifying strategies and/or adopting new ones in the light of experience, changing priorities, and new programming opportunities is an essential part of the learning process that is central to the successful implementation of the MYFF. Remaining open to such an approach would facilitate the efficient and effective use of the Fund's resources in obtaining results.

39. For the first MYFF cycle, 2000-2003, UNFPA has identified four interactive and interdependent programme strategies that should contribute to effectively achieving results. They are: advocacy; strengthening national capacity; building and using a knowledge base; and promoting, strengthening and coordinating partnerships. These strategies, which are delineated below, are not presented in any particular order of priority, as their importance and application will vary in relation to the needs and priorities of a particular country or region. In the Africa region, for example, there is a special focus on capacity building. In Latin America and the Caribbean region the focus is on strengthening partnerships in the context of health sector reform. The programme strategies deployed are not mutually exclusive, and often different strategies will be applied simultaneously to achieve a specific result. For example, to improve the environment for addressing practices harmful to women's health (the third output listed under the first goal in table 2) UNFPA will support advocacy efforts by civil society organizations, as well as strengthen governments' capacity to develop and implement policies and programmes that address the issue. Similarly, strategies to reach the desired output of increased availability of sex-disaggregated population-related data, would place special emphasis

on strengthening national capacity and building and using a knowledge base, complemented by greater collaboration and partnership among donors and the agencies responsible for data collection and analysis.

Advocacy

40. Advocacy has been part of the Fund's mandate and a key organizational strategy since the Fund's inception, when the main focus was on drawing the attention of governments to population concerns and creating awareness of population and development linkages. In the implementation of the ICPD Programme of Action, UNFPA has assumed an even more energetic leadership role and has extended its advocacy to a wider range of gender and reproductive health issues. Advocacy is essential for achieving all three goals delineated in the MYFF. In particular, it will be an indispensable strategy for achieving the goal of gender equality and women's empowerment.

41. UNFPA carries out advocacy at country, regional and global levels to achieve results in all goal areas. At the country level, the Fund supports activities to create an environment conducive to an increase in the demand, availability and use of quality services and the achievement of reproductive health; and to enhance commitment to gender equality and mainstreaming population issues in development. The Fund's advocacy efforts address, in particular, closing the gender gap in education, promoting reproductive rights, protecting the girl child and other vulnerable groups, promoting community participation, and increasing the involvement of men in sexual and reproductive heath matters.

42. At regional and global levels, the Fund advocates in the larger development arena for human rights and issues related to reproductive health and population, such as gender equality, eradicating harmful health practices, preventing gender violence, promoting women's political participation, increasing women's and girls' education and literacy, providing basic social services and eradicating poverty. This work derives from the Fund's leadership role in implementing the ICPD Programme of Action and ICPD+5 key actions, and its active participation in implementing agreements from other United Nations global conferences.

Strengthening national capacity

43. UNFPA will continue to invest significantly in increasing the capacity of its national partners to achieve results. Special attention has been paid to defining concrete actions that will increase absorptive capacity and financial resource utilization in programme countries. An assessment of national capacity-building requirements has been built into the Fund's main programming exercise, the Country Population Assessment (CPA), in which the Fund works with national counterparts and development partners to identify the key inputs required for national capacity building and sustainable programmes. Capacity building is a key dimension of

UNFPA programmes and ranges from assistance in policy formulation at the highest level of government institutions to training health personnel for service delivery at the primary health care level. It is an essential strategy for achieving all the results outlined in the results framework, both at goal and output levels. Within the context of UNDAF, the common country assessment will allow for the joint assessment of capacity building needs by United Nations partners.

44. The MYFF process and the move towards results-based management highlight certain capacity-building needs among governmental and non-governmental partners which must be addressed as a priority. These include: increasing knowledge on reproductive health, population and gender issues; improving skills in programme design, monitoring, evaluation and reporting; strengthening data collection, analysis and dissemination; and improving programme management and coordination.

Building and using a knowledge base

45. The building and utilization of an adequate knowledge base is an important strategy for results-based programming, which depends on an iterative process of learning from change. The feasibility studies underlined the current constraints in availability of, access to and use of information at a national level, and the need for the effective collection, analysis and dissemination of information to improve knowledge. To address these constraints, UNFPA will prioritize investing in the development of national data collection and analysis systems for programme planning and monitoring, evaluation, and reporting, in collaboration with other United Nations and donor agencies. A special investment will be made in the area of gender. These efforts will enable UNFPA and its national partners to track progress towards achieving the goals outlined in the MYFF.

46. Knowledge and information are not limited to statistical data. The new issues and approaches underscored by the ICPD Programme of Action require UNFPA and its partners to constantly update their knowledge and expertise in the new and emerging areas. Exchange of ideas and experiences among programme countries, development agencies, and experts is critical in learning what works and what does not work, with a view to improving programming and achieving results. It is envisaged that the UNFPA intercountry programme will make an important contribution by identifying and disseminating best practices, supporting the development of new research methodologies, and providing data on population and reproductive health. The Fund will continue to assist research, studies, conferences, workshops, and South-South cooperation activities, including the Partners in Population and Development initiative, in order to generate, develop and update knowledge and information bases. Special attention will be given to identifying effective and user-friendly means of disseminating information, lessons learned and best practices so that they reach all interested and concerned individuals and institutions. Alternative ways of knowledge-sharing, such as distance learning, will be explored

and reinforced. Promising new initiatives include PROGRESS, an on-line dynamic database on UNFPA programme experiences to share lessons learned and best practices, and an Internet-based "supermarket" that provides UNFPA staff with access to the web sites that are most relevant to their work.

Promoting, strengthening and coordinating partnerships

47. The Fund's move towards a results-based approach clearly reaffirms the importance of strong multisectoral and interdisciplinary partnerships articulated in the Programme of Action and the ICPD+5 key actions. The MYFF will be implemented in a changing health policy and programming environment that will both expand partnerships and change the nature of those partnerships. For example, health-sector reform brings with it a decentralization of national partnerships, and greater collaboration around the integration of services. Sector-wide approaches (SWAps) call for closer consultation and partnership among all partners, under government leadership, and a qualitative change in the type of accountability. In both SWAps and health-sector reform, UNFPA has a central role to play in supporting countries to strengthen the reproductive and gender components of health policy and programmes.

48. Achieving MYFF goals at the country level requires a close partnership between government and civil society, including NGOs and the private sector. UNFPA, as the lead agency in promoting the ICPD Programme of Action, has a crucial role to play in promoting and coordinating these partnerships and in empowering those whose voices are not usually heard in reproductive health decision-making. The Fund will focus particularly on addressing the constraints to effective partnerships, as revealed through the ICPD+5 review process, including the lack of an enabling environment, insufficient coordination and communication, divergent priorities among governmental and non-governmental organizations, inadequate involvement of civil society and a lack of financial resources.

49. The United Nations agencies are going through a similar move towards results-based management, and this provides an ideal opportunity for further sharing and joint learning from experiences at headquarters and country levels. The United Nations Development Group (UNDG) pursues a number of initiatives, most notably the CCA and UNDAF, which contribute significantly towards strengthening partnerships among United Nations agencies and encouraging coherence and agreement around results and indicators. UNFPA will continue to participate actively in these efforts and to seek closer collaboration with the regional development banks, and with the World Bank in the context of the Comprehensive Development Framework (CDF) at the country level, and in promoting the integration of gender and reproductive health issues into training in health-sector reform at global level. These various processes must be closely coordinated to ensure greater coherence and synergy in supporting programme countries in achieving their goals.

## C. Integrated resources framework

50. The ICPD Programme of Action estimated that $17 billion would be needed in the year 2000 to implement four components of the programme, namely: family planning; other reproductive health services; STDs/HIV/AIDS prevention; and basic research, data and population and development policy analysis. It was recognized that additional resources would be needed to support other aspects of the Programme of Action, including strengthening the primary health care system, the management of STDs and HIV/AIDS, basic education for all, and women's empowerment, and to accelerate development programmes. The benefits of these investments would include future saving on social services; sustained patterns of production, consumption and economic growth; equity and respect for individual rights; and overall improvements in the quality of life, all in the context of sustainable development.

51. The ICPD Programme of Action provides an estimate that up to two thirds of this $17 billion would be met by countries themselves, and the remaining one-third -- $5.7 billion for the year 2000 -- would come from external sources. Over the past three years, international assistance for population and reproductive health has remained at about $2 billion per year. The lack of resources threatens to reverse the gains made during the past decade. While the substantive knowledge and operational strategies needed to implement the ICPD Programme of Action are well established, and political commitment in developing countries to embrace ICPD goals is high, the needed international financial assistance is unfortunately lacking. This trend needs to be reversed if the goals adopted at ICPD and the targets agreed to at the UNGASS on ICPD+5 are to be achieved.

52. Total income for UNFPA, including both regular and other resources, peaked in 1995 at $328 million, which enabled the Fund to expand its programme in response to the new framework that emerged from ICPD. Contributions to the Fund's regular resources declined slightly in 1996 and 1997, and then fell sharply. This was, however, accompanied by an increase in other resources, so that the total income for UNFPA in 1998 stood at $311 million. The decrease in regular resources in 1999, has been especially severe, and in spite of an increase in other resources, the total income for the year stands at $285 million.

53. It should be noted, however, that the decline during the last three years in the Fund's regular resources has been an exception to the history of income growth for UNFPA. An analysis of four-year segments over the period 1984-1999 was made to compare with the MYFF period 2000-2003. There was a 38.5 per cent increase in income between the four-year periods of 1984-1987 and 1988-1991; an increase of 29.5 per cent between 1988-91 and 1992-95; and of only 8.6 per cent in the period 1996-1999, due to declines in the last three years. It is imperative that the Fund's historical positive trend in regular resources be restored during the MYFF period 2000-2003.

54. The ICPD+5 key actions recognized that encouraging results had been achieved since ICPD, but also pointed out that in some countries and regions there had been setbacks and limited progress in certain areas, including gender equality and women's empowerment; HIV/AIDS; adult and child mortality; access to reproductive health information and services; and reproductive and sexual risks for adolescents and other vulnerable groups. UNFPA is committed to addressing these issues, but its ability to do so will depend on the availability of resources.

55. An underlying rationale of the MYFF is that UNFPA will be better positioned to attract predictable and stable funding if the Fund can first clearly define the expected results and strategies, and then demonstrate the results achieved. The level and quality of results is to a great extent largely dependent on the availability and predictability of resources. However, given the complexity of interdependent results and attribution, and the reality of how UNFPA operates in the field, it is not feasible to establish a direct one-to-one statistical link between resources and results. In accordance with decision 98/24, attention has been given to ensuring that the MYFF does not introduce any conditionality or result in any distortions in priorities or changes in the current system of resource allocation. In acknowledgement of the relationship between results and resources, the Fund proposes two scenarios that demonstrate how different levels of resources will affect the results that UNFPA is working to achieve.

56. Table 3 below presents a resource framework for two levels of funding. The first scenario estimates the total resource requirement to be $1,434 million for the period 2000-2003, and the second scenario estimates the requirement to be $1,600 million for the same period. In both scenarios, an attempt has been made to present an integrated resource framework. In line with the guidance on harmonized budgets (see DP/1997/2), the use of resources is presented for programmes and support budget. The table also presents in a single framework the requirements for both regular resources and other resources for the MYFF period.

Table 3: Resource requirement for two scenarios for 2000-2003
(in millions of dollars)

| Scenario | Regular Resources | | | | | | | | Other Resources | All resources |
|---|---|---|---|---|---|---|---|---|---|---|
| | Programme[a] | | | | Other | | | Total | Programme and other | |
| | Country | Inter-country | Technical Advisory | Sub-total | Net support budget | Misc.[b] | Sub-total | | | |
| One | 723 | 142 | 95 | 960 | 262 | 72 | 334 | 1,294 | 140 | 1,434 |
| Two | 855 | 142 | 95 | 1,092 | 272 | 96 | 368 | 1,460 | 140 | 1,600 |

[a] Comprising country, intercountry, and technical advisory programmes.
[b] Includes administrative and operational services as well as additions to the operational reserve.

Scenario one

57. In the first scenario, UNFPA proposes regular resource requirements for the MYFF 2000-2003 at $1,294 million by updating, based on most recent income and expenditure estimates, the figures in the work plan 2000-2003 as approved in decision 99/13 by the Executive Board at the annual session 1999. This scenario of $1,294 million represents a 15 per cent increase over the income for the 1996-1999 period. Of this amount, $723 million would be devoted to country programmes, including expenditures for activities in countries without a country programme. However, this will not even meet the level of the current balance of commitments under approved country programmes. Furthermore, the level of resources under this scenario would mean that the resources available for new country programmes would be less than in previous cycles, thereby curtailing the level and scope of results that could be planned and achieved.

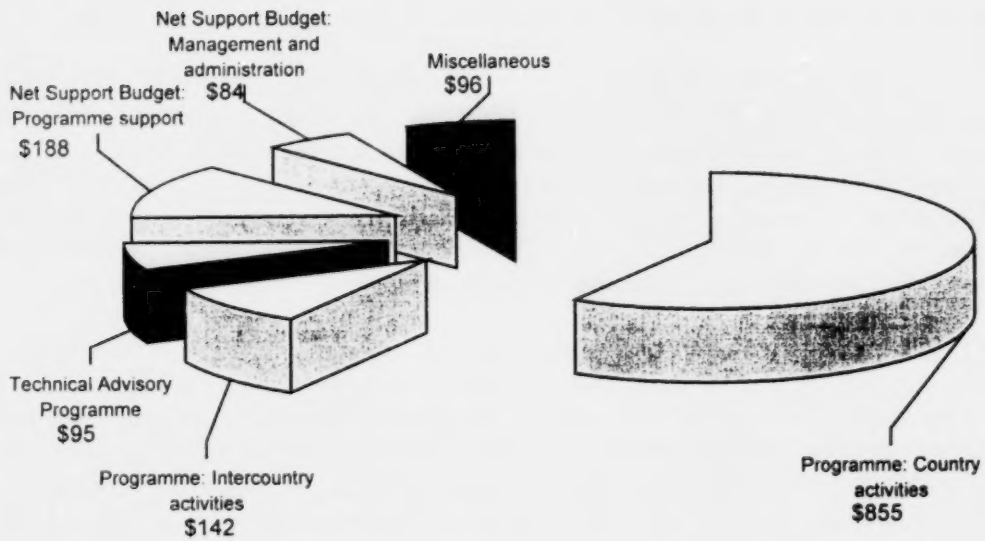
58. Under this first scenario, the Fund would continue to invest in priority areas, including improving reproductive health information and services, reducing unmet need for family planning, reducing unsafe abortion and maternal deaths, preventing STDs and HIV/AIDS, addressing the special needs of adolescents and other vulnerable groups, reducing gender inequalities, and empowering women and girls. Progress towards achieving the goals and outputs outlined in the MYFF would constitute a contribution to addressing these challenges.

However, under this scenario it is inevitable that there would be significant cutbacks in the Fund's assistance to countries. The sharp decline of resources is particularly damaging for countries that have begun the process of transition to the new ICPD framework. The ICPD+5 review showed that government policies are changing and national programmes are being redesigned to reflect the comprehensive vision of the ICPD Programme of Action. This process has been adversely affected by the resource shortfall and would be further compromised if adequate resources were not forthcoming. Illustrative of this is the situation in 1999 where only two thirds of the resources needed to meet the Fund's commitments to country programmes were available. The Fund has estimated that the $72 million shortfall for 1999 could lead to an additional 1.4 million unwanted pregnancies, 570,000 induced abortions, and over 670,000 unwanted births. If a similar situation continues in the period 2000-2003, country programmes that have been submitted and approved will continue to suffer from disruption and delays in implementation, which will inevitably lead to delays in achieving planned results. The continued freezing of staff posts at UNFPA and reduced resources for staff development would also adversely impact the management of programmes and, concomitantly, the achievement of results.

Scenario two

59. The second scenario which requires $1,460 million in regular resources, representing around a 29 per cent increase over the income for the 1996-1999 period, would enable the full implementation of the approved country programmes and allow the Fund to present to the Executive Board new country programme proposals envisaging a higher level of support than in the first scenario. Any additional resources under this scenario would be channelled to country programmes to achieve results at the country level. UNFPA would be able to consolidate its current achievements in assisting countries to make the transition to the new framework outlined in the ICPD Programme of Action. The chart, below, illustrates the second scenario delineated in table 3.

**Chart 1: UNFPA resource requirement for 2000-2003**
**Scenario Two, Table 3**
**(Regular resources, millions of dollars)**


Net Support Budget: Management and administration $84
Miscellaneous $96
Net Support Budget: Programme support $188
Technical Advisory Programme $95
Programme: Intercountry activities $142
Programme: Country activities $855

60. The level of resources envisaged under the second scenario would also allow the Fund to invest more, in line with country priorities, in areas where the ICPD+5 review revealed that special attention was needed. Increased efforts would be made to assist countries in meeting the urgent needs of adolescents for reproductive health information, education and access to services, including counselling. The additional resources would translate into ensuring a greater quantity and range of contraceptive supplies -- essential to achieving the Fund's goals -- especially in the least developed countries where the unmet need for family planning is the greatest. The Fund would also invest further resources in the prevention of HIV/AIDS. Such efforts would include the increased supply of condoms that would contribute to the prevention of sexually transmitted infections. Under the second scenario, it would also be possible to begin to address more adequately, emerging issues such as ageing and assistance in crisis situations. The areas for additional assistance would be determined by different country situations.

61. The quality as well as quantity of programmes would benefit from the higher level of resources, which would allow a greater investment in capacity building of national partners in all the areas outlined in the results framework. Furthermore, predictable funding at an adequate level would enhance the sustainability of programmes, which is critical for their effectiveness. The additional resources would also enable the Fund to invest more in establishing sound data systems in countries and in improving indicators to better track results, which would in turn allow the Fund to make more informed decisions on where to place scarce resources.

62. However, even the second scenario would not allow UNFPA to keep pace with the rapidly growing demand for reproductive health services, resulting from better information and advocacy and the increase in the number of couples and women entering the reproductive age. The formulation of the MYFF and the positive impact that it would have on the Fund's performance and programme management makes UNFPA confident that it would be able to efficiently and effectively use an even higher level of resources than that proposed in the second scenario. An amount of $2 billion over the four-year period would not only enable the Fund to respond more adequately and more quickly to achieving the results outlined in the MYFF, but would, above all, allow the Fund to invest more in reproductive health commodities to prevent a severe shortfall in developing countries, due to the recent decline in donor support. Additional resources would help to further strengthen the Global Initiative on Reproductive Health Commodity Management, and speed up the process of developing an informal alliance of governments, donors, and technical agencies to address the issue of reproductive health commodity security.

63. Under any scenario, programme resources would continue to be distributed by the three core programme areas of UNFPA, in accordance with Executive Board decision 95/15. In the reporting on the MYFF, however, efforts will be made to track resources in line with the

proposed results framework. The Fund plans to review the current coding system and the method of aggregation to better capture the utilization of resources according to the new results framework. Until that time, the Fund will continue to report programme expenditures based on the three priority programme areas of UNFPA. The Fund will also continue to report on programme expenditures by classification category of countries in accordance with decision 96/15.

## III. MANAGING FOR RESULTS

64. The Fund is committed to strengthening programme and internal management, to reinforce the organization's capacity to manage its resources, to carry out its programmes effectively and efficiently, and to achieve results. UNFPA will further enhance its identity as a field-based, people-centred and results-focused organization, through implementing a results-based management approach. In particular, this will include: orienting and coordinating existing systems towards results and improving human resource management. These efforts will contribute to enhancing a culture of learning and accountability that will enable UNFPA to be a responsive partner and leader in the population and reproductive health field.

### Orienting and coordinating existing systems towards results

65. The implementation of the MYFF and the introduction of results-based management introduces a new focus on managing for results, rather than the management of inputs and activities. While the planning for change will begin immediately, the change process itself will be an incremental one that builds on, strengthens, sharpens, and coordinates existing programme management systems. Stronger emphasis will be placed on identifying lessons learned and building the commitment and capacity of staff and key stakeholders to achieve results. This will involve taking steps to introduce accountability for results at a number of levels, including programme planning; monitoring and evaluation; reporting; and the integration of lessons learned, inter alia, through internal management and knowledge management. These changes will be carried out in the context of the development of an organizational results-based management policy and an implementation plan.

66. To support this process of instituting a results-based approach to programme management at country and intercountry levels, the Fund is reviewing existing programming and policy guidelines and procedures with a view to integrating in them the concept of results-based management, and facilitating its application. A fund-wide training strategy for staff at all levels will build on and coordinate existing staff development programmes. Country Technical Services Teams (CSTs) will be strengthened to allow them to provide the required technical support and guidance to country offices and national counterparts. The Fund will ensure that all systems are geared towards supporting countries to manage their programmes for results.

67. Programme planning. Some of the first changes that will take place will be at the level of programme planning. While the logframe is a valuable tool for strategic planning, and the basis for programme monitoring and reporting, the feasibility studies found that there is potential for improvement in the design and use of country and subprogramme logframes. Their formulation should be based on a comprehensive country population assessment and coincide with the design of the country programme. National partners will be fully involved in developing a shared vision of what the programme and subprogrammes seek to achieve through their component projects, including the identification of results and indicators, and the cause and effect relationship between the hierarchy of results. UNFPA staff and local stakeholders would also need to develop a common understanding of the programming environment, in terms of the assumptions and assessment of risks that the programme is built on.

68. Improved, uniform and interactive training modules on the design and implementation of the logframe for UNFPA staff and national partners will be placed within the broader context of a results-based management approach. This includes ensuring that data collection and analysis are a part of component project activities, so that appropriate baselines and targets can be established for outputs. The country programme design should also include investment with other partners in a national gender-disaggregated database to chart movement towards national goals.

69. Monitoring and evaluation. Under these conditions, the logframe can provide the basis for the next stage, the development of monitoring and evaluation plans that will assign responsibilities and a time-frame for monitoring, evaluation and reporting. Such plans will allow UNFPA staff and partners to assess progress by measuring actual results against planned results. Monitoring and evaluation, including thematic evaluations, participatory evaluations, and other evaluation research data, will provide the opportunities to assess the appropriateness and effectiveness of strategies being employed; the robustness of indicators in measuring change; the cause-effect linkage in the results hierarchy; and changes in the programming context. This may result in an adjustment in strategies, indicators, and even in some cases desired results, or at least the time scale necessary to achieve them. At the same time, special efforts may have to be undertaken to modify assumptions and address new risks.

70. Reporting. The monitoring and evaluation plans will provide the basis for reporting on results, both among stakeholders at the country level and from country offices to headquarters. Annual reports to headquarters will be revised to focus on progress towards results, covering those achieved and not achieved, and including where appropriate an analysis as to why the desired change has not taken place. Feedback from headquarters divisions will also help to strengthen the process of incorporating lessons learned into future planning. This mechanism will also provide most of the information required for annual reporting on MYFF outputs as part

of the Executive Director's annual report to the Executive Board (section IV, below, discusses MYFF reporting modalities).

71. Internal management. In non-programme areas, annual work plans of country offices and all units at headquarters will also be adapted to focus on results, including the definition of management outputs and indicators, which will be regularly reviewed and adjusted as necessary. An annual management review, in line with the performance appraisal and planning process, will assess the performance of UNFPA in responding adequately and responsively to country needs, and provide inputs to the next year's workplan. Findings and lessons learned from these reviews, as well as from policy application reviews and audits, will be used to further improve management practices.

72. Knowledge management. The full transition to a learning organization that is accountable for results requires the building, promotion and utilization of an integrated approach to managing and sharing knowledge. The development and use of a knowledge base within UNFPA depends on a management information system that ensures timely provision of and access to programme and financial data. The new Resource Management System (RMS), currently being developed, will integrate information on programming and financial resources that will be accessible to all offices. This should reduce delays in access to information, and allow country offices and other units to manage their own data, including analysis of trends and results/resources linkages. Information on best practices and other institutional documents will be made available to all offices through current information management initiatives.

Improving human resources management

73. The successful implementation of results-based management requires the commitment of all staff at all levels to perform optimally and to achieve results. In 1998, UNFPA initiated the Workforce Planning Exercise to ensure more efficient allocation, planning and management of human resources aligned to the evolving needs of the organization. The feasibility studies reinforced the importance of fostering a climate of excellence and improving human resources management to enhance organizational effectiveness.

74. The identification of organizational results in the MYFF will encourage all staff in the Fund to work towards common goals, and will call for a team approach that makes optimal use of each staff member's skills, interest, and experience towards the achievement of results. The Fund will institute a system of human resource management that encourages management and staff to learn continuously, to integrate what they have learned, and to share resulting insights and innovations with those who can use this information to explore further improvements. Further development and use of the logframe will encourage a process of strategic thinking among management and staff and stimulate an interchange of ideas in terms of what works to achieve results.

75. The capability of field staff to plan, monitor and evaluate is crucial to quality programme management. Training in these areas will be intensified so that all staff, with special attention to offices in priority countries, are equipped to efficiently plan programmes, monitor indicators, evaluate strategies, make timely decisions and report on achieved results. A competency-based system for human resource management, which includes core and management competencies, will be gradually established to further improve recruitment, assessment, and placement of staff. A new Fund-wide training strategy will be based on competency requirements and training needs. Meanwhile, UNFPA will continue to provide staff with training and developmental opportunities that encourage excellent performance, strengthen job-related skills and competencies, and help staff keep up with changes in the workplace, including the introduction of new information technologies.

MYFF implementation plan

76. Following the approval of the MYFF, UNFPA will introduce an organizational results-based management policy and move towards implementation. The Fund has begun the process of developing a comprehensive plan, which involves all relevant units of the organization, with assistance from outside experts, and works closely with other ongoing reviews and efforts to continue to strengthen the Fund's operations, in particular the Workforce Planning Exercise. The plan will lay out the specific steps and their timing for the implementation of the MYFF, including the activities described above.

77. The design of new country programmes provides particular opportunities to introduce changes in programme planning, monitoring and evaluation plans, and to establish baseline data. More than half of all country programmes will begin a new cycle during the first two years of the MYFF, 2000-2003. For other country programmes, mid-term review and annual reviews will provide strategic entry points to introduce a results-based approach into programme monitoring, evaluation and reporting. These will be opportune times to reflect on results achieved so far and to make necessary adjustments. The implementation plan will also indicate the timetable for modifying policy and programme guidelines.

78. The implementation of the MYFF will build on investments made through the feasibility studies. The countries involved in the feasibility studies are expected to provide ongoing feedback on the implementation of the MYFF to ensure that the implementation process takes into account the reality of country offices and is responsive to their needs. It is anticipated that some country offices will be better positioned than others to move forward to introduce change, and to monitor and report on results. These will be expected to share lessons learned to facilitate the further implementation of the MYFF in other country offices.

79. The implementation plan will be reviewed and discussed at the UNFPA Global Meeting in May 2000, which will serve as an important step in advancing the implementation process.

## IV. REPORTING ON RESULTS

80. UNFPA proposes to provide a report on the MYFF as part of the annual report of the Executive Director submitted to the Executive Board's annual session. Either in the final year of the MYFF or in the year following the completion of the cycle, the Fund proposes that a more extensive report on the MYFF be submitted to the Executive Board, as part of the annual report. The actual timing of the final MYFF reporting will be determined in consultation with UNDP, to harmonize reporting cycles. The annual and quadrennial reports would cover essentially the same types of information but would differ in the extent of coverage and the depth of analysis.

81. Annual MYFF reporting will aim to include the following information:

(a) Annual progress in contributing to the goals and achieving the outputs identified in the results framework;

(b) Status of financial implementation of the resources framework including that of programmes approved by the Executive Board as well as utilization of resources for the previous year by programme priorities and country categories. Expenditure patterns in line with the proposed results framework will be also analysed to the extent allowed by the coding system.

82. At the end of the MYFF cycle, a more detailed report covering the entire MYFF period will be submitted. This quadrennial review and analysis will report on changes during the MYFF period at the goal level as well as organizational performance at the output level. Where attribution is possible, the achievement of goals and the Fund's contribution will be highlighted. Reporting will include an in-depth analysis of UNFPA strategies in influencing the goal situation and in managing UNFPA programmes for achieving the outputs during the MYFF period. Information derived from the annual and quadrennial review and analysis and lessons learned during the first MYFF cycle will be the basis for formulating the second MYFF covering the period 2004-2007.

83. The first annual report on the MYFF will be in 2001, covering the year 2000. Given the limited availability of data at all levels and the phased introduction of new elements and adjustments to the existing system that are necessary for the MYFF, the coverage and quality of the MYFF reporting on results will gradually improve over the MYFF cycle. As an interim measure, UNFPA proposes that the implementation of the MYFF itself will be monitored and reported annually, in addition to reporting on results to the extent possible. It is anticipated that the content of reporting in 2001 will consist mainly of progress in implementing the MYFF, with special reference to the use of logframes in programme planning, monitoring and evaluation;

establishment of baseline data for outputs; improvement in guidelines for programming, monitoring, evaluation and reporting; and other key aspects of MYFF implementation that will be identified.

84. As the reporting mechanism gradually evolves, the central component of annual MYFF reporting will shift to organizational performance at the level of outputs. UNFPA will make use of existing internal reporting mechanisms as much as possible and avoid creating a separate reporting system. Annual reports from country offices, annual intercountry programme reports and Technical Advisory Programme reports will be the main sources of information for reporting on MYFF outputs and indicators. The MYFF reporting mechanism will necessarily be dependent on the capacity of UNFPA offices and national counterparts to move towards results-based management.

85. Efforts will be made to make the maximum use of available information for reporting at the goal level. Changes at the goal level cannot necessarily be captured over the short term. However, if data are available on progress towards a goal in a given year, this will be reported in addition to progress made in each output under the three specified goal areas.

86. Reporting at both goal and output levels will typically take the form of number of countries in which there has been movement in the indicators, but this information should be treated and interpreted carefully as it does not reflect the different magnitude of the Fund's efforts in each country, or the size and coverage of populations benefited. Special attention will also be paid to the analysis of particularly interesting and challenging situations that may not be captured by a concentration on averages. Selective in-depth reporting on certain themes and strategies based on the findings of mid-term reviews, project and programme evaluations, thematic evaluations, and policy application reviews will provide more insights into performance and supplement the global analysis of indicators. UNFPA is considering evaluating one strategy mentioned in the MYFF each year to assess its relevance and effectiveness.

87. With the submission of the Fund's first MYFF to the Executive Board, the formal process of pledging for the year 2000 can commence. It is expected that governments will proceed with formally notifying UNFPA of their pledges for year 2000 as well as multi-year pledges from those donors in a position to do so. As discussed above, UNFPA is considering reporting on the MYFF to the Executive Board at its annual session. The timing of the pledging process needs to be carefully considered and the Executive Director seeks guidance from the Executive Board on this matter. As one option to facilitate the pledging process, UNFPA is willing to provide oral reporting on the MYFF at the second regular session, prior to submitting a written report at the annual session.

88. UNFPA is committed to making the internal and external adjustments that will be necessary for the successful implementation of the MYFF, recognizing that this will inevitably be a long-term and incremental process. In embarking upon this course of action, the Fund depends heavily on the Executive Board to meet its own commitment to provide a higher level of core resources and an increase in multi-year funding pledges. The move towards results-based management is a common undertaking of UNFPA and the Executive Board, and represents a joint attempt to reverse the decline in official development assistance and the proportion devoted to the social sectors, particularly for population and reproductive health. The Fund recognizes that this will involve extensive advocacy by Board members within their own countries, and new commitments by governments to sustainable international development assistance. UNFPA counts on each member of the Executive Board to be an ambassador for UNFPA, and to support the Fund in testing out new approaches to fundraising and expanding the network of potential funders.

## V. EXECUTIVE BOARD ACTION

89. The Executive Board may wish to adopt a decision on the basis of the information contained in the present document.

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